

**TESTIMONY OF DR. MIKE L. BAUGHMAN
PRESIDENT, INTERTECH SERVICES CORPORATION ON BEHALF OF
WHITE PINE COUNTY NUCLEAR WASTE PROJECT OFFICE
SURFACE TRANSPORTATION BOARD HEARING
FINANCE DOCKET 35106: DEPARTMENT OF ENERGY APPLICATION FOR A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE
CALIENTE RAIL ALIGNMENT
DECEMBER 4, 2008
LAS VEGAS, NEVADA**

My name is Mike Baughman and I am appearing today on behalf of the White Pine County Nuclear Waste Project Office. Pursuant to the Nuclear Waste Policy Act, as amended, White Pine County, Nevada is one of ten units of local government designated by the Secretary of Energy as "affected" by the proposed Yucca Mountain geologic repository system, including transportation. The County is located downwind from the Yucca Mountain site and is concerned with atmospheric exposure pathways for radionuclides originating at the repository. In addition, the State of Nevada has identified U.S. Highway 93 and U.S. Highway 6 through White Pine County for possible state-designation as an alternate highway route for shipments of spent nuclear fuel to Yucca Mountain. The Caliente Rail Alignment does not cross White Pine County. At its nearest point, the Caliente Rail Alignment is approximately 35 miles south of the White Pine County line.

While White Pine County supports DOE's plans to make the proposed Caliente Rail Alignment available for commercial traffic, construction and operation of the line will impact public and private lands utilized by residents of White Pine County. The proposed rail alignment would cross public lands and may cross or otherwise impair

private lands and improvements owned and/or operated by, or otherwise utilized by residents of White Pine County. In particular, White Pine County-based livestock operators owning permits to utilize public land grazing allotments crossed by the Caliente Rail Alignment may see the use and/or value of private base-property in White Pine County impacted due to impaired use of public land grazing allotments and related private range improvements impacted by the proposed Caliente Rail Alignment.

The Caliente Rail Alignment will result in a wide variety of impacts to private and public land resources in neighboring Esmeralda, Lincoln and Nye counties utilized by residents and industries based in White Pine County. As a consequence, construction and operation of the rail line to Yucca Mountain may impact the economy of White Pine County and the characteristic way of life for some White Pine County residents.

In addition, White Pine County's principal community, the City of Ely, is the location of the nearest full-service hospital to segments of the proposed Caliente Rail Alignment located in southeastern Nye County and northeastern Lincoln County. Medical emergencies during construction and operation of the proposed rail line in these locales may result in transport of injured persons to medical facilities in Ely.

If fully identified and evaluated, many of the potential impacts of constructing and operating the Caliente Rail Alignment may be avoided or minimized through design and implementation of appropriate mitigation measures. To the extent that potential impacts are not fully identified and properly evaluated, the rail line may result in

unanticipated and unmitigated adverse consequences. White Pine County believes DOE must be required by STB to fully identify and mitigate all direct and indirect impacts of the Caliente Rail Alignment, regardless of their significance.

In addition, the DOE should be required to develop and implement, in cooperation with affected parties, a process for monitoring actual impacts of the construction and operation of the line and to monitor the effectiveness of all mitigation measures implemented by DOE. The STB is encouraged to condition any certificate granted to DOE to ensure that all direct and indirect impacts are identified; appropriate measures to mitigate said impacts are implemented; and the effectiveness of mitigation monitored during construction and operation of the Caliente Rail Alignment.

In its July 10, 2008 comments to DOE's application for a Certificate of Convenience and Public Necessity, White Pine County noted that its economy is heavily dependent upon vehicular traffic and related traveler services along U.S. 93, U.S. 6 and State Route 318, all of which will be crossed by the Caliente Rail Alignment in neighboring Lincoln and Nye counties. The County's comment letter noted that in the event that a rail incident/accident involving nuclear waste were to occur along the Caliente Rail Alignment in the vicinity of U.S. 93, U.S. 6 or State Route 318 it is possible that media amplified negative public perceptions of risk may significantly reduce, at least on a temporary basis, highway traffic through White Pine County and the City of Ely. Such a reduction in traffic would result in diminished traveler spending and related fiscal impacts to the County and City.

Although the DOE considers the probability of a transportation accident to be a low, that possibility nevertheless cannot be ignored, particularly given the potential for such an event to be attended by media-amplification and to result in significant economic and fiscal consequences. Business disruption may result in lowered sales, lost wages for employees and reduced tax revenues. Depending on the length of the disruption, existing businesses may experience irreversible effects. Accordingly, White Pine County recommended to STB that the DOE be required to mitigate stigma induced impacts of the Caliente Rail Alignment in the following ways.

- DOE should assist White Pine County with development and implementation of a monitoring system to detect negative impacts on traveler related economic and fiscal activity due to the Caliente Rail Alignment
- Impact thresholds should be established at which predetermined mechanisms for compensating businesses and local government impacted by reductions in traffic and traveler related economic and fiscal activity would be employed
- DOE should assist White Pine County with development and funding of a standby marketing campaign to be implemented immediately following any incident/accident involving a radioactive waste shipment along the Caliente Rail Alignment in the vicinity of U.S. 93, U.S. 6 or State Route 318

In its August 29, 2008 submission to STB DOE disagrees with the aforementioned mitigation measures. While DOE's response to STB states, "in some instances risk perceptions could result in adverse impacts on portions of a local

economy". the Department provides no commitment to monitor such impacts or to consider alternative measures to mitigate them DOE's response to STB does not include a commitment found in the Department's Final Rail Alignment EIS, which states "*DOE* will continue to work with local communities and tribal nations to understand and mitigate potential negative perceptions of its operations." White Pine County requests that STB include a condition to the DOE certificate requiring the Department to work with local communities and tribal nations to understand and mitigate potential negative perceptions of its operations.

In closing, let me observe that in its August 29, 2008 response to STB, DOE identified many mitigation measures proposed by White Pine County and others as being among those which DOE has either "already committed to implementing" or "will be considered and further developed during the mitigation process described in Chapter 7 pages 7-1 to 7-9 of the Rail Alignment EIS." White Pine County requests STB to include as conditions to the DOE certificate all such measures DOE has identified in its August 29, 2008 submission to STB as being among those which DOE has either "already committed to implementing" or "will be considered and further developed during the mitigation process".

On behalf of White Pine County, thank you again for allowing this testimony for your consideration.